



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7**

11201 Renner Boulevard
Lenexa, Kansas 66219

VIA ELECTRONIC MAIL
RECEIPT CONFIRMATION REQUESTED

Denali Water Solutions, LLC
Mr. Chris Marks, Environmental Manager
3031 Franklin Avenue, Suite A
Riverside, California 92507
chrisamarks@comcast.net

Re: Denali Water Solutions, LLC.
Offer to Negotiate – For Settlement Purposes Only

YOUR PROMPT ATTENTION TO THIS MATTER IS REQUESTED

Dear Mr. Marks:

Pursuant to Section 405(d)(1) of the Clean Water Act, the U.S. Environmental Protection Agency promulgated regulations governing the Standards for the Use or Disposal of Sewage Sludge which are set forth at 40 C.F.R. Part 503 (the "Sludge Management Program"). These regulations establish recordkeeping and reporting requirements, pollutant limits and site management practices applicable to owners or operators of treatment works treating domestic sewage and standards for the final use or disposal and land application of sewage sludge generated during the treatment of domestic sewage in treatment works.

Based on information currently available, the EPA has identified violations of the CWA and its underlying regulations. Specifically, the EPA alleges that Denali Water Solutions, LLC violated the requirement of 40 C.F.R. § 503.14(d) to not apply sewage sludge above the agronomic rate and the requirements of 40 C.F.R. §§ 503.12 and 17 to obtain and document the information necessary to achieve compliance with 40 C.F.R. Part 503.

The EPA's primary concern is for Denali's return to full compliance as expeditiously as possible. For this reason, a proposed Administrative Compliance Order is enclosed with this letter for your review and consideration. The attached Order describes the violations and sets forth the actions that the EPA believes necessary for Denali to return to compliance.

If Denali is interested in participating in negotiations on the enclosed proposed Order, please contact Howard Bunch, Attorney, in the Office of Regional Counsel, within **20 calendar days** of receipt of this letter at (913) 551-7879. The EPA generally provides a period of 60 days to reach agreement before considering more formal enforcement options.

Addressing significant noncompliance with environmental laws is important to protect public health and the environment. At the same time, the EPA recognizes that the COVID-19 pandemic may be impacting Denali's operations and causing hardships to your business. We are open to discussing and considering any circumstances due to the COVID-19 pandemic that you may be facing.

Your attention to this matter is greatly appreciated. If you have any questions, please do not hesitate to contact Mr. Bunch at the number above or at bunch.howard@epa.gov, or Angela Acord, CWA Compliance Officer, at (913) 551-7914 or acord.angela@epa.gov.

Sincerely,

DAVID
COZAD

Digitally signed by DAVID
COZAD
Date: 2020.08.07
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David Cozad
Director
Enforcement and Compliance Assurance Division

Enclosure

cc: Richard S. Davis, counsel for Denali Water Solutions, LLC
Beveridge and Diamond PC
RDavis@bdlaw.com

Arizona Department of Environmental Quality
Leigh Padgitt, Program Manager
1110 West Washington Street
Phoenix, Arizona 85007
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